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## UTILIZATION OF THE FAMILY INCOME

BY MARTHA BENSLEY BRUÈRE,

Co-Author of *Increasing Home Efficiency*, New York.

The spending of the incomes of the middle class is standardizing itself. In the several hundred budgets which Mr. Bruère and I have collected, from all over the United States, we find that people with certain incomes, in certain occupations involuntarily standardize their expenditures. It is not a conscious performance, merely a very evident tendency; and as Mr. Burbank furthers the development of wonderful fruits and vegetables, so we can take hold of this tendency which has just sprouted, so to speak, in our civilization, and train it to the advantage of us all.

Now of course the reason for standardizing the spending of the income is to impose on all homes the financial divisions which have been found to give the greatest product—and the products of the home are of three kinds: happiness; service to the community, usually through the occupation by which we get our living; and children of the right sort. The whole problem is to produce the greatest amount of happiness, and service to the community, and children, with the least expenditure of money and muscle and brains.

Judging from the budgets which we have collected, I do not believe that anywhere in the United States a family of father, mother, and three children, of which not more than one is over fourteen, can be run decently or efficiently for less than \$1,200 a year or its equivalent. When I say "its equivalent" I mean that such things as the vegetables which a farmer raises and uses on his table, the free education given to the children of teachers and professors, the parsonage given the preacher must be counted as equivalent to cash. It is because I do not believe that an average family can live efficiently on less than \$1,200 a year, no matter how wise buyers its members may be, or how small their appetites or modest their demands in clothing, that I shall not consider the utilization of the incomes of families

who are forced to live on less than this. I believe that a minimum wage scale is going to eliminate those unfortunate ones who are not getting enough of what they earn to come up to that sum, and a more thoughtful care of dependents is going to frankly and directly provide for those defectives who cannot earn a living wage. Either that, or we must reorganize industry and business so that people can get what now costs \$1,200 a year, for very much less. It is important before getting down to figures to say that I have not considered what some impossibly capable person educated for the specific work of home-running could do. I have tried not to consider the exception but the average, neither have I used figures from any time but the present or any place but the United States.

I have found that families of five members must spend \$447.15 a year for food, whether they buy it or raise it, that is, it will cost about 35 cents a day to keep an adult man in health. And according to the schedule of the Department of Agriculture an adult woman eats eight-tenths as much as a man, and children of different ages need diminishing per cents down to two-tenths, which will adequately feed a child of two.

Shelter that has adequate plumbing, that has light enough and air enough, and is heated well enough, and which is convenient enough so that neither the effort nor the cost of getting to work and back is high, cannot be had, either in the country or in the city, for less than \$144—\$12 a month. I know that you can get houses in the country for \$2 a month; but what of the plumbing? What of the heating? What of the conveniences? A house that is not sanitary or light or warm, or convenient, costs far more than can be made up by low rent.

Clothes cost a minimum of \$100 a year. That is in New York City where they are cheaper than anywhere else in the United States. I feel that this estimate of \$100 is too low because of the great wisdom and self-denial which it requires; but it can be done and has been done—not beautifully but decently.

The operation of the household which covers light and heat and service, repairs and replenishing, the cost of gas or electricity and running costs generally, gives a possible leeway of expenditure, but I believe that \$150 a year is the least that it will cost. That implies that there is no paid service except the laundering of the man's collars and shirts.

The really important expenditure of the families with \$1,200 a year as of all other families, is the part they put into the things which are not necessary, perhaps, to physical health but which do mean happiness and progress. This item I have called advancement. It covers the cost of education, the amount given to charity, to the church, the cost of vacations and trips, of books, postage stamps, recreation and entertainment, insurance and savings, and also the cost of keeping a child of fourteen in school instead of sending it to work, which in itself costs about \$200 a year. Families with \$1,200 a year spend about \$312 on advancement.

I have found also that the average family cannot keep its accounts very accurately or completely so that there will be from \$46 to \$47 spent for unclassified incidentals.

It is evident from our figures that the middle class family with \$1,200 a year is quite capable of providing itself with the ordinary necessities of life. It can get enough food, because we are slowly learning how to control the production and sale of food through coöperation. It can get enough shelter even when the tenement house departments and the fire protection committees and the enforcement of the building codes force up the cost to the landlords. It can pay for enough clothes, even if every garment worker in New York City strikes often enough, and long enough, and successfully enough, to get a living wage. It can pay for the operation of its household because we are learning through the struggles of New York City and Boston with their gas companies and of Cleveland with its traction system how to put our public service corporations on a minimum wage. But the pinch and the uncertainty come in providing for those less material needs under advancement. This is particularly plain among the group who have only \$112 a year for this purpose, if they keep their children in school after they are fourteen. How much travel and rest and recreation and health and charity and books and insurance and savings will \$112 furnish to five people?

Of course not all the middle class have to live on \$1,200 a year. In fact the average income is nearly twice that—\$2,335. This figure is of course not conclusive, it is averaged from a few hundred family budgets but it does cover every state in the Union and most of the middle class occupations—small landlords and better class mechanics and shop bosses, clerks and railroad conductors, accountants and secretaries, teachers and college professors, clergymen, journalists, physicians, horticulturists and geologists, small capitalists and busi-

ness men. This average middle class family spends \$439.14 a year for food which is a little less than the family on \$1,200 spends. They are not, however, underfed because they have in general only two children instead of three. They spend for shelter \$236.27; for clothes \$272.49; for the operation of the household \$271.10; that is an addition of \$100 to \$200 on the last three items. For incidentals they spend \$88.38 and they average a yearly deficit of \$12.63. The important thing is that they spend on advancement \$1,032.59, of which about \$300 a year goes into insurance and savings.

Now through this \$300 a year the middle class is trying to do an impossible thing—to provide individually for old age. We do not think now for a moment that we can educate our children independently; we do not think that we can protect them against contagious disease, the city or the community at large must do that, but we still labor under the delusion that we can provide for our own old age. I believe this is the most serious financial mistake of the middle class. Does it not cut off \$300 a year from their pleasure and usefulness? Does it not fill the days of their strength with fear? And who gets the benefit of this \$300 a year while they are saving it? Not themselves surely—some insurance company or corporation in which they have invested it. Why should they not get the benefit of their own saving? And it is not as though they were sure to succeed even with all their effort. Have we not now a million and a quarter dependents over sixty-five years of age in the United States who cost \$250,000,000 a year? These old people are pensioned without honor, and yet every one of them who has lived in this country, who has paid for the products of industry, who has ridden on railroads, has contributed to the government. Suppose they had contributed directly their \$300 a year savings, would they not then be sure of incomes in their old age, whether their individual judgment on investments was good or bad?

The middle class does know how to get food and shelter and clothes and light and heat for its money. It has begun to learn how to care for its health, and its education, and some of its amusements, collectively through the state. It is even beginning collectively to fend against accidents through the social insurance of such states as Ohio, New Jersey, Wisconsin and Washington. But it has not yet learned how to use that \$300 a year which each family puts into insurance and savings so that all classes shall enjoy an honorable provision for old age.